



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

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DIRECTOR
DIVISION OF CONSUMER
AND COMMUNITY AFFAIRS

CA 12-13

November 27, 2012

**TO THE OFFICERS AND MANAGERS IN CHARGE OF CONSUMER AFFAIRS
SECTIONS:**

SUBJECT: Revised Interagency Examination Procedures for Regulation Z

The Task Force on Consumer Compliance of the Federal Financial Institutions Examination Council recently approved the attached interagency examination procedures for Regulation Z – Truth in Lending. These revised examination procedures supersede the Regulation Z interagency examination procedures transmitted with CA Letter 11-8.

The attached examination procedures primarily reflect recent revisions to Regulation Z. On July 21, 2011, the Board's rulemaking authority under the Truth in Lending Act was transferred to the Consumer Financial Protection Bureau (CFPB). On December 22, 2011, the CFPB published an interim final rule restating Regulation Z (76 Fed. Reg. 79768) to reflect the transfer of authority and certain other changes made by the Dodd-Frank Wall Street Reform and Consumer Protection Act. The interim final rule did not impose any new substantive obligations on persons subject to the existing Regulation Z previously published by the Board. Rather, it substantially duplicates the Board's Regulation Z, making only certain non-substantive, technical, formatting, and stylistic changes. To minimize any potential confusion, the CFPB preserved the numbering system of the Board's Regulation Z in a new part of the Code of Federal Regulations (12 CFR part 1026).¹ Additional revisions were made to the examination procedures where supplementary information or other clarifications were deemed to be necessary, including to the section relating to open-end credit annual percentage rate calculations.

¹ Certain changes were made to the text of the Board's Regulation Z to conform to current codification standards of the Code of Federal Regulations. Most significantly, the Board's §§ 226.5a and 226.5b have been renumbered as §§ 1026.60 and 1026.40, respectively. As § 226.5a related to credit card disclosures, the CFPB codified it as § 1026.60 so that it would appear in subpart G, Special Rules Applicable to Credit Card Accounts and Open-End Credit Offered to College Students. As § 226.5b related to home-equity plans, the CFPB codified it as § 1026.40 so that it would appear in subpart E, Special Rules for Certain Home Mortgage Transactions.

If you have any questions, please contact Lanette Meister, Senior Supervisory Consumer Financial Services Analyst, at (202) 452-2705, or Carol Evans, Assistant Director, at (202) 452-2051.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lanette Meister". The signature is fluid and cursive, with a large initial "L" and "M".

Attachment: Revised Regulation Z Interagency Examination Procedures

Supersedes: CA Letter 11-8 "Revised Interagency Examination Procedures for Regulation Z"
(December 23, 2011)